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C O N F I D E N T I A L SECTION 01 OF 03 NEW DELHI 001707

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TAGS: [PGOV](#) [PREL](#) [PTER](#) [PARM](#) [KNNP](#) [ENRG](#) [PK](#) [KN](#) [IN](#)
SUBJECT: FOREIGN SECRETARY RAO UPBEAT AND EXPANSIVE ON
BILATERAL RELATIONSHIP

REF: A. NEW DELHI 1677
[B](#). NEW DELHI 1668
[C](#). NEW DELHI 1620

Classified By: Ambassador Tim Roemer for Reasons 1.4 (B and D)

[1](#). (C) SUMMARY. In his introductory meeting with Foreign Secretary Rao August 12, Ambassador Roemer stressed the importance of the Strategic Dialogue and of implementing the Civil Nuclear Cooperation Agreement, as well as bringing to justice the perpetrators of the 26/11 terrorist attacks in Mumbai. Rao advocated a "visionary" and "ambitious" approach to U.S.-India relations, echoing Secretary Clinton's characterization of the emerging partnership as regional and global in scope. She shared that the Prime Minister wanted to focus initially on climate change and nonproliferation. Rao agreed that implementing civ nuke would build the trust necessary for progress on other difficult issues. On nonproliferation, the government was engaged in a policy review process. On climate change, Rao was studying a memorandum of understanding between the U.S. and China on climate change that she hoped might be a useful model. On Afghanistan, Rao agreed that India could share its experiences with its grassroots development-oriented approach. Rao reported that India had just given Pakistan another dossier of evidence on the Mumbai attacks, but had not yet received an official response. She alluded to a possible meeting with her Pakistani counterpart on the margins of the UN General Assembly. Rao confided that, despite spending 25 years of her career in and out of China, she felt more comfortable with Americans, with whom Indians shared fundamental values. END SUMMARY.

The Bilateral Relationship
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[2](#). (C) The Ambassador began his introductory meeting with Foreign Secretary Rao August 12 by noting the great potential in the U.S.-India relationship. He underscored the importance of the Strategic Dialogue and of implementing the Civil Nuclear Cooperation Agreement (civ nuke). He recounted that he had spoken the previous evening with National Security Advisor Jones about getting senior officials on both sides engaged now, rather than waiting until Prime Minister Singh's November 24 state visit to Washington.

[3](#). (C) Rao highlighted the importance of "a visionary approach" to advancing the relationship, which she said was fundamentally more about "the power of ideas" than a collection of specific agreements. She underscored the need to build a "culture of trust" between our respective

strategic and security communities. She said we must be "ambitious," adding that Secretary Clinton's characterization of the emerging partnership as regional and global in scope -- rather than just bilateral -- was exactly right. Rao shared that she had just come from a meeting with the Prime Minister in which he indicated his desire to focus U.S.-India cooperation on climate change and clean energy because India already had the ability and scope to move forward on these issues.

Civ Nuke and Nonproliferation: Building on Common Ground

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¶4. (C) Seizing upon Rao's remarks, the Ambassador stressed the need for full and prompt implementation of the U.S.-India 123 agreement, including the designation of two reactor park sites for U.S. firms, adoption of liability legislation, and the declaration of safeguarded facilities to the IAEA. He observed that full implementation of the agreement would build trust necessary to address other difficult issues, such as climate change and nonproliferation. Rao agreed that implementing civ nuke would be important not only on its own merits, but to demonstrate that we could find common ground and press forward with a shared agenda.

¶5. (C) On nonproliferation, Rao said it would be important to reserve differences for the moment while we built common ground. Indians found President Obama's Prague speech on nonproliferation to be "inspirational," not least because its embrace of disarmament reflected the vision of former Prime Minister Rajiv Gandhi. She recommended that experts from

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both sides should meet, but acknowledged that there are entrenched positions on both sides, and that we must be "clear sighted" about our differences. Nevertheless, she stressed that "the political will is there." She declined to go into further detail, saying the government was in the midst of a policy review process on nonproliferation. The Ambassador suggested that the Proliferation Security Initiative (PSI) could be a good place to start. Rao replied India had some "unease" about PSI for reasons well known to the USG (a reference to the 2005 Protocol to the Convention for the Suppression of Unlawful Acts (SUA), which requires NPT compliance), but that India took seriously its commitment to implement UN Security Council Resolutions, including UNSCR ¶1847. Rao had nothing to add to media reports about the investigation of the North Korean vessel off the Andaman Islands (ref B). Rao deflected the Ambassador's suggestion of increased cooperation between our Coast Guards and militaries, saying the Chief of Army Staff had shared ideas on how to take the defense relationship forward during his visit to Washington two weeks ago.

Climate Change: Inspiring the Common Man

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¶6. (C) Rao shared that she had been reviewing a recently concluded memorandum of understanding between the U.S. and China on climate change for ideas on how to proceed. She suggested that India hoped to improve upon the U.S.-China model, in a similar MOU with the U.S. The Ambassador described his conversation August 11 with Indian Nobel laureate R.K. Pachauri about collaborating on cook stoves to replace traditional practices that contribute as much as 20 percent of carbon dioxide emissions globally. Rao responded enthusiastically, saying such innovations would also contribute to the health of women and children in the home, something Indians would understand and appreciate. She stressed that finding ways to pitch such practices to the common man will be the key to moving forward on difficult issues like climate change.

Afghanistan: India's Development-Oriented Assistance

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¶7. (C) The Ambassador said he had spoken with Special Representative Holbrooke August 11 and shared U.S. concerns about the August 20 elections. He expressed gratitude for India's USD 1.2 billion in pledged assistance and expressed an interest in learning from India's efforts in Afghanistan. Rao described India's assistance as "development-oriented," including "grass roots" efforts to address gender empowerment and education, as well as infrastructure projects to build roads, transmission lines, and hydro-electric generating capacity. She highlighted the depth of the Indo-Afghan relationship and its "organic" basis in people-to-people ties and shared culture and history.

Pakistan: Dossier Sharing, Possible Meeting at UNGA

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¶8. (C) The Ambassador commended Prime Minister Singh's bold stand to advance dialogue with Pakistan, drawing a parallel with President Obama's emphasis on dialogue with our adversaries, and inquired about next steps. Rao replied that India had just given Pakistan another dossier of evidence with respect to the Mumbai attacks, but had not yet received an official response. She stressed that India's investigative agencies had "worked overtime" to respond to Pakistan's requests, but they were now being asked to provide "minute details." It was time for Pakistan to show that it was willing to take a "systemic approach to eliminate terror." Rao had not yet seen a credible response to the Mumbai attacks -- little "satisfaction," let alone "closure" -- or any significant diminution of the threat to India. "All the effort Pakistan is making to paint itself as a victim of terror must extend to India's concerns," she said.

¶9. (C) Nevertheless, she underscored the importance of keeping channels of dialogue open and said India would continue its diplomatic approach. Rao described her Pakistani counterpart, Foreign Secretary Bashir, as a "good friend" and noted they were counterparts in Beijing. She pointed to the upcoming UN General Assembly, saying "the

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possibility exists" of a meeting. She asserted that India's relationship with Pakistan was one of India's most important, but that Pakistan needed to decide what it really wanted in its relationship with India, adding, "divorce is not an option." (Comment: PM Singh's July statement to Parliament defending the Sharm el-Sheik joint statement (ref C) reiterated his earlier statement that the Indian and Pakistani Foreign Secretaries would meet in the coming weeks to prepare for a ministerial meeting at UNGA. Notably, Rao did not suggest a pre-UNGA meeting with Bashir. End comment.)

¶10. (C) On counter-terrorism cooperation, Rao and the Ambassador saw Home Minister Chidambaram's visit to Washington in September as an opportunity to expand cooperation. The Ambassador pledged to continue to articulate the need to bring the perpetrators of the Mumbai attacks to justice. Emphasizing that "the same people are killing our people," he shared an anecdote about helping a friend lay to rest his son, killed in the line of duty in Afghanistan, at Arlington National Cemetery.

China: "Most Important" Isn't Necessarily "Best"

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¶11. (C) Rao suggested that although President Obama had referred to the U.S. relationship with China as "the most important" bilateral relationship, India hoped its relationship with the U.S. would be "the best" of our emerging bilateral relationships. The Ambassador shared his views on the recently-concluded Strategic Dialogue with China, and expressed hope that the U.S.-India relationship could deliver more practical progress. Rao confided that, despite spending 25 years of her career in and out of China, she felt a "chemistry" and far higher level of "comfort" with Americans, with whom Indians share fundamental values.

Comment

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¶12. (C) Rao is a different kind of Foreign Secretary. Whereas her predecessor, Shivshankar Menon, was cerebral and smooth (at times slick), Rao is enthusiastic and expansive, though with a firm command of her brief. She seems genuinely to appreciate the potential in the U.S.-India relationship. Unlike her predecessor, she lived in the U.S. on three occasions -- studying at Harvard in 1992-93 and the University of Maryland in 1999-2000, and a stint as spokesperson at the Indian Embassy in Washington from 1995-98, -- and speaks fondly of her time there. She also has two university-age children who plan further studies in the U.S.

ROEMER